

## Lebanese truce seen endangered by new conflict

ANAN SAFADI

East Affairs Correspondent

A month-long cease-fire yesterday by a power which ripped through a fresh round of fighting in the West Bank. The conflict, the largest since the PLO's takeover of the West Bank, is a bid to end the month-long civil war. The PLO's presence in the West Bank is a bid to end the month-long civil war. The PLO's presence in the West Bank is a bid to end the month-long civil war.

for Yasser Arafat yesterday

## Jarsfelds thrown out of Nazi beer hall rally

Nazi hunters, Serge Klarsfeld were violently thrown out of a meeting of 300 German right-wingers in a Berlin beer hall where Adolf Hitler's first attempt to seize power was celebrated. Klarsfeld was beaten by a group of spectators and was taken to a hospital with a wound on his forehead. Klarsfeld was beaten by a group of spectators and was taken to a hospital with a wound on his forehead.

## Big-time builder arrested for tax evasion

Major builder Aharon Rubinstein and his sons Giora and Eyal were released on Friday after being questioned on suspicion of tax evasion. Rubinstein was arrested on Friday after being questioned on suspicion of tax evasion.

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## Three die in Hebron bomb blast

Jerusalem Post Reporter

HEBRON. — Three young local Arabs were yesterday afternoon killed in an explosion which ripped through a barber shop in the old Casbah market place. The three were named as Khalil Ibrahim Shikhaideh, 25, who owned the shop, Samir Abdul-Monem Abdeen, 20, and Farid Mohammed Abu Samrah, 19.

Several other youngsters were reported to have been wounded in the blast at the "New Generation Saloon." The explosion caused panic and stampeded crowds in the market, reopened after a three-day interval following the Moslem sacrifice festival, Id al-Adha.

Preliminary reports said that the blast was the result of an accidental explosion of a gas cylinder. But the army spokesman announced the explosion occurred while the three were preparing an explosive charge. A number of youngsters were detained in the course of the investigation.

Unconfirmed reports said that the three Hebronites belonged to a subversive cell which was planning to set off a new wave of unrest in the West Bank, where unease has been brewing since the introduction of the Value Added Tax in the area at the beginning of this month. A leaflet, circulated by a clandestine group over the weekend, urged local Arabs to refrain from paying the new tax, noting that the levy was an Israeli one "that should not be imposed in an occupied territory."

## Galili: Mexico ties 'warmer'

By CAROL COOK

Special to THE POST

MEXICO CITY. — After what he described as a "very positive, warm" meeting with President Jose Lopez Portillo on Thursday, Minister Israel Galili said he believed relations between Israel and Mexico would be strengthened under the new President.

The President declared his deep appreciation of the Jewish people's history, our struggle for survival, our boldness — and his appreciation of the State of Israel. Galili told The Jerusalem Post yesterday, before leaving for Washington.

Lopez Portillo spoke with the minister for about 20 minutes on Thursday afternoon, the day after his inauguration. Galili said the fact that the President received him "on such a busy day" was an indication of a positive change in relations.

At the rally, the 1,000 spectators cheered as various German right-wing groups demanded a general amnesty for all Nazi war criminals.

Rudel, a Stuka dive-bomber pilot credited with knocking out more than 500 Soviet Tanks and sinking a Russian battleship, was invited to the rally as guest of honor to unveil a plaque to German war heroes.

Rudel has been active in several right-wing organizations since the war and was at the centre of a major political storm last month when the West German Air Force's top two operational commanders were dismissed for approving his presence at an old comrades' reunion.

(Reuters, AP)

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Rabinowitz claimed that full compensation for price rises would come at the expense of the education, health and development budgets. Tourism Minister Moshe Kol added that these payments are already too high.

But the Histadrut maintained that full linkage was part of the package deal struck when the income tax system was reformed. Central Committee member Nava Arad added that the Government's proposals would harm the poor. Children's allowances account for two-thirds of the income of the 10 per cent of the population whose earnings are the lowest, she noted. They account for only one per cent of the income of the 10 per cent of the population whose earnings are the highest, she added.

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Interior of the "New Generation Saloon" barber shop in Hebron after the bomb explosion which killed three young Arabs yesterday. (Ben-Ami, Sunphoto)

## U.S., Israel awaiting move by Sarkis on units in South

By WOLF BLITZER

Jerusalem Post Correspondent

WASHINGTON. — The U.S. and Israel are still waiting to see whether the central Lebanese Government under President Sarkis will have the military strength to establish an all-Lebanese force to police southern Lebanon.

According to informed diplomatic sources here, the critical factor in determining whether the Sarkis Government will successfully manage to create such a unit revolves around the sensitive issue of disarming Palestinian and Lebanese Moslem and Christian forces currently encamped along the Israel border.

Beirut reports that Syria has worked out a deal with the PLO regarding the relinquishing of its guns to the Syrian-dominated peace-keeping unit have not been confirmed here. Even if true, however, it remains unlikely that various Palestinian splinter groups will willingly hand over their guns to the Syrians.

Secretary of State Kissinger yesterday discussed with Israel Ambassador Dinitz the potentially explosive situation in Lebanon. They met for more than 90 minutes, but other issues were also discussed during the session, also attended by Assistant Secretary of State Alfred Atherton, National Security Council aide Peter Rodman, embassy minister Hana Ben-On and embassy counsellor Elhan Ben-Tzur.

Sources here said that Kissinger and Dinitz largely exchanged views on the situation, with no operative conclusions reached. Israel is still awaiting a reply from Damascus and Beirut to its proposal that the Sarkis Govern-

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During the Kissinger-Dinitz meeting, press reports from Lebanon began claiming that the uneasy cease-fire seemed in trouble, with fighting breaking out in several areas.

The assessment here is that while the Sarkis Government is still weak, it is not merely the "puppet" of the Damascus regime. The Lebanese Government does have legitimization among most Lebanese, including Christians and Moslems, and does have some power to implement decisions.

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Ben-Shahar c'ttee

man raps move on children's tax

Jerusalem Post Staff

Boaz Nahir, a member of the Ben-Shahar tax reform committee, yesterday criticized the government decision to reduce the linkage of allowances for children and credit points to 70 per cent.

Nahir told The Jerusalem Post that the decision "violates the rules and spirit of the Ben-Shahar recommendations. He said the danger is, that after this first violation, other changes will be made. The decision is a disguised manner of increasing tax rates, he added.

Nahir stressed that carrying out the reform was satisfactory in its first year and a half. Tax revenues have increased by 90 per cent and the number of self-employed keeping books went up from 40,000 to over 100,000.

Nahir said that he has written to the Prime Minister and the Finance and Justice ministers criticizing the decision and warning against the Mapam proposal to increase the marginal tax rate.

The other Ben-Shahar committee members, Professors Ben-Shahar, Bruno and Ben-Porat, are abroad.

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**THIS WEEK**

Lotto draw 49/76  
Minimum total prize fund  
\$1,000,000  
(including carryover)  
First prize  
\$1,000,000  
All other prizes increased.  
TOMORROW is the last day  
for entering in Lotto entries.  
Subject to recertification.

**THE WEATHER**

Forecast: Fair with small rise in temperature.

Location	Yesterday's Humidity	Yesterday's Min-Max	Today's Max
Jerusalem	15	4-17	18
Golan	29	6-18	19
Nahariya	46	10-22	22
Safed	44	7-15	16
Haifa Port	44	7-15	16
Tiberias	68	9-19	21
Nazareth	38	10-20	21
Afula	38	6-21	22
Shomron	19	10-19	20
Tel Aviv	42	10-20	22
B-G Airport	57	7-24	25
Jericho	36	8-22	25
Gaza	48	9-21	23
Ezraheba	13	8-25	24
Silat	36	8-25	27
Tiran Straits	15	14-25	27

**Social and Personal**

The following have been elected as the new council of the Jerusalem branch of the Journalists Association:

Yitzhak Alon (Israel Broadcasting) — chairman; Yehoshua Tadmor ("Davar") — deputy chairman; Abraham Ben-Zion (Israel Broadcasting) — honorary secretary; Shlomo Golan (Israel Broadcasting) — treasurer; Hersh Goodman (The Jerusalem Post) — chairman of professional committee; Amos Ben-Zion ("Haaretz") — chairman of membership committee; Gideon Richter ("Yediot Aharanot") — chairman of cultural and Beit Agon committee; Edmund Sabek (Israel Broadcasting) and David Landau (The Jerusalem Post) — council members.

**DEPARTURES**

Knesset Member Yitzhak Ben-Aharon, for Zurich, on his way to Madrid to represent the Labour Party at the conference of the Spanish Socialist Party (by El Al).

## El Al security officer jailed for theft

An El Al security officer was sentenced to 10 months in jail by the Jerusalem District Court on Friday for stealing \$7,000 deposited by an El Al passenger in the company's safe in Amsterdam.

Avraham Shama, 26, was tried in camera and details of the case were released only after he was sentenced. Shama admitted that after a passenger had asked to keep \$7,000 in El Al's safe in Amsterdam last July, he had opened the safe — to which he had the keys in his capacity as assistant to the chief security officer — and taken the money.

In the investigation that followed, Shama confessed to the theft and was sent home for trial. The judge said that the crime called for a deterrent punishment and added a suspended 14-month sentence to the 10 months Shama will spend in jail. (Him.)

## Canadian insurance firm may alter policy

TEL AVIV. — The Manufacturers Life Insurance Company of Canada, which some years ago curtailed activities here in reviewing its policy, it was learned.

Two of the company's leading officials, R. B. Leckie, vice-president, and C. C. McLeod, assistant vice-president, are in the country studying the situation.

The company originally curtailed its activities, and did not accept any new policies, since it proved difficult to repatriate its profits to Canada. Now the company is looking about for local investments until the time that profits can be repatriated.

Rabin tells Labour gathering:

# 'Israel has no designs on southern Lebanon'

Jerusalem Post Staff

TEL AVIV. — Prime Minister Yitzhak Rabin on Friday declared that Israel has no designs on any southern Lebanese territory. But he added that Israel could not remain indifferent to events to the north of its border.

Addressing a Labour Party luncheon at Beit Brenner, Rabin said Israel looked at events in south Lebanon only from the point of view of its own security. "We are not interested in a single centimetre of Lebanese territory," he said, stressing that Israel does not intervene in inter-Arab affairs.

However, Rabin added that there are two things Israel does not want in south Lebanon — the presence of the Syrian army, and that south Lebanon should become again "what it was in the past — a base for terrorist activities against us."

members of the terrorist PLO.

Answering a question on Israeli-U.S. relations, Rabin described reports of erosion in U.S. pro-Israel sentiment as "nonsense." Those relations were based on the American people's understanding of Israel's needs, and were not affected by changing circumstances, he said.

Both U.S. parties, he explained, had prided themselves during the recent election campaign on their friendship for Israel and their readiness to aid her.

He admitted there would be disputes in future with the U.S., but the basis of understanding was firm.

Rabin noted that Israel had received a yearly average of \$2b. in U.S. aid since the Yom Kippur War, as compared with \$300m. before the war. This included a yearly grant of \$1b., he continued — and the yearly net value of Israel's exports was only \$1.1b.

"Until those two things are assured — and I cannot guarantee they will be — we must watch events there with great care. But I do not think that either side should drive events to an unnecessary confrontation," he added.

The Prime Minister expressed hopes that the inauguration of U.S. President-elect Jimmy Carter would bring new moves toward peace "or at least an end to belligerency" in the Middle East. Israel, he said, would welcome the good offices of any country in helping to arrange direct talks between Israel and Arab officials on a Middle East solution.

However, Rabin added that the Arabs involved would have to be "authorized representatives" and not

Asked to explain recent U.S. votes on anti-Israel resolutions in the UN, Rabin said, "One must be able to distinguish between the important and the irrelevant." He recalled that the U.S. had never in its Security Council speeches recognized the reunification of Jerusalem or Israel's right to settle in the territories. "Sometimes they express themselves in favour and sometimes against," he said. "We do what we have to do and that does not affect relations between the two states."

Rabin added that he greatly valued the UN for its work in many spheres. He singled out its operations in Sinai and on the Golan.

## Sharon says Israel too 'dependent' on the U.S.

TEL AVIV. — The entry of the Syrian army into Lebanon — with 500 tanks and dozens of divisions — is one of the most striking signs of Israel's total and unhealthy dependence on the U.S., Arafat (res.) Ariel Sharon said on Friday.

Another sign, he said, was that Israel had not dared even to question the current massive U.S. arms sales to Saudi Arabia.

Speaking to the monthly lawyers' luncheon at Beit Hapraklit here, Sharon — who recently launched his Shomronim political movement — said the Syrians would never have ventured to enter Lebanon had not the U.S. assured them Israel would not intervene. "Worse than that," he said, the Government had not even dared to make its tacit consent conditional on some kind of return from the Syrians — in connection with the UN force on the Golan line or the release of Damascus Jewry.

Sharon added that the Syrian presence in Lebanon had now

created a grave situation. He described as "unrelenting brain-washing" all talk of an Israeli "red line" south of Lebanon's Litani River. The Litani itself was no obstacle, he said, and Israel was not sitting on the south side of the river; "so what difficulty would the Syrians to the north of the Litani have in going across it to the Israel border?" he asked.

Sharon said Washington had now become the Arabs' biggest arms supplier. To enable themselves to launch wars and recover from them quickly even if defeated, the Arabs had amassed \$20b. worth of arms in the past three years — \$11b. of it from the U.S., he said.

He called on Israel to make an unceasing effort to slow down the arms race in the Middle East.

Sharon also called on the Government to make initiatives for peace — but for nothing that is less than a formal, unequivocal and contractual peace, with normal diplomatic relations. (Him.)

## Lipshutz named Carter counsel

Jerusalem Post Correspondent

WASHINGTON. — Robert J. Lipshutz, a close adviser to President-elect Jimmy Carter who played an active role as liaison between the American Jewish leadership and the Carter campaign during the past year, is expected to be named White House counsel, informed sources here disclosed yesterday.

Lipshutz, an Atlanta lawyer, was originally reported to be reluctant to come to Washington. But sources said that he has reconsidered his position and is prepared to take a key position in the Carter White House.

As counsel to the President, Lipshutz will be free to raise all important issues of concern with Carter, including, of course, U.S. policy in the Middle East.

During the campaign Lipshutz served as the Carter organization's treasurer. He had previously supported Carter's two gubernatorial campaigns, and is included in the inner circle of close Carter aides. He has also been active in the leadership of the Atlanta Jewish community, and is well-known to American Jewish leaders.

A TEN-DAY exhibit of wall carvings and wall hangings done by Catherine Lichtman ended last night at 20A House in Tel Aviv. The exhibit included works in wool and cloth based on old American and American-Indian designs.

Some Israeli sources fear that the Rabin statement will provide the Pentagon and other elements in the U.S. Government with argument to cut Israel's \$1.5b. request for military grants to \$1b. — something the Prime Minister clearly did not intend to do.

## TEL AVIV BACKGROUND REPORT

# The ugly world of gambling

TEL AVIV. — While there are no statistics on illegal gambling in the police yearbook, the activity certainly exists, and it frequently leads to violence. This came to light last week in the remand hearing of two Tel Aviv residents on suspicion of involvement in the murder of underworld figure Ezra "Tati" Shabtai and the disappearance of one of his associates, Ya'acov Avraham.

A police investigator told the court that one of the suspects, Yehzekiel Aslan, was connected with Shabtai through the latter's operation of gambling clubs, and a dispute arose between the two when Aslan's brother-in-law lost large sums of money at cards at this club.

Later Aslan bombed the club, according to the police investigator, and was incensed when he then heard that Ezra had opened another gambling club.

The club that "Tati" was running was like one of some 30 or so other illegal gambling clubs in the Tel Aviv area, according to police estimates. In some cases, the club may be someone's apartment. In Tati's case, the

club was a hut in the Hatikva Quarter.

The activity, police sources say, is pretty much the same everywhere — poker, dice, or a game called dinn-mali. The sums lost and won vary greatly. In the Tati case, Aslan allegedly lost around \$20,000. One police source tells of hearing about someone losing a half million pounds. But this is probably the exception rather than the rule.

Every so often the police raid a club, arresting the owner and the players. But like massage parlours and gambling clubs, the owners know that they'll be charged only in a year or so. And besides, another offence on top of several others apparently doesn't make much difference. In the meantime, they have to make money.

Many who frequent these clubs are unemployed, and the chances are better than even that they are desperate to get out of their situation by stealing, drugs, or dealing in stolen property. Like Tati, many may have served time in prison.

But there are honest people as well from all levels of society.

The games are generally honest. But Fakad Haim Ben Dor of the vice squad says that in one game his men broke up, attached to the bottom of a dice table was a strong magnet. When it was propitiously to do so, the fellow running the place would throw his loaded dice.

Ben Dor says that the owner begged him not to tell about the incident. If it had got around that he had been running a crooked game, he would have had his throat slit.

For the most, however, the problem is not crooked games but competition between clubs. One club owner may try to steal the trade from another. The second owner may decide to "settle accounts" by blowing up his competitor's club. If the quarrel is bitter enough, and possibly intertwined with differences on other matters, such as drugs, the individuals involved could possibly end up like "Tati" — wrapped in a sack, dropped in a well, and three bullets in his chest.

## Expert assails U.S. arms supply policy

By WOLF BLITZER  
Jerusalem Post Correspondent

WASHINGTON. — The U.S. Air Force's former top Middle East intelligence analyst describes the presumptions currently underlying American arms supply policy in the Middle East as "manifestly false."

Addressing the Jewish War Veterans of America last night, Dr. Joseph Churba criticized the "prevailing wisdom" in the U.S. Government that Israel has managed to retain an "indefinite qualitative superiority over its (Arab) neighbours."

The implication of this "false argument," he said, was that Israel does not really "need additional weaponry."

(Churba recently made news here when he took the extraordinary step of assailing Gen. George Brown, Chairman of the U.S. Joint Chiefs of Staff, for describing Israel as an American military burden. Because of Churba's public statements, he was stripped of his special security clearances, and he, therefore, resigned.)

## KIMHI INDICTED FOR IL5,600 BRIBE

By ARTHUR KEMELMAN  
Jerusalem Post Reporter

TEL AVIV. — Meir Kimhi has been charged with receiving a bribe of IL5,600 while he was acting as a consultant to Kipat Holim. The charge sheet, which was filed on Friday in the Tel Aviv District Court, is the first to be filed against any of the figures in the Yadin affair.

Kimhi has been in detention the past 80 days and throughout this period he has refused to cooperate with his interrogators from the fraud squad. The last week he has been under medical treatment at Kaplan Hospital in Rehovot.

Today Kimhi will be brought before the Magistrate's Court where he will probably be released on bail. No date has yet been set for the trial.

The charge sheet against Kimhi claims that he received a bribe from Yul Levason, the general manager of the Yulav insurance company.

The purpose of the alleged IL5,600 bribe was to secure a policy payment from Kipat Holim to Yulav. According to the policy, Kipat Holim, for insuring its workers, was to pay Yulav IL280,000 for 1973, IL240,000 for 1974, and IL280,000 for 1975.

Despite several warnings from Levason, the payments from Kipat Holim were slow. Finally, according to the charge sheet, in September 1974, Kimhi expressed his willingness to speed up the payments if Levason would pay IL5,600 to a carpenter, Shmuel

Even, for furniture for Kimhi's apartment.

To camouflage the payment, Kimhi allegedly demanded that the carpenter prepare a false bill which would make it seem the insurance company owed IL5,600 for office furniture.

Among the witnesses who will appear for the prosecution are Yael Paldi, responsible for Kipat Holim property, Yehoshua Eliani, a partner of Asher Yadin's sister Sara Hani in the insurance brokerage firm of Eitzhim, the carpenter Shmuel Even, and Yulav's Levason. Aryeh Kanan, Kimhi's lawyer, pointed out that now that charges had been laid he would have the chance to see the police file against Kimhi.

The charge sheet against Kimhi is only a partial one and makes no mention of the more dramatic suspicions that have been raised against him during his detention. For example, Kimhi was first arrested on suspicion of receiving kickbacks in connection with a Netanyahu land deal. In later hearings, involvement with the Tel Aviv Medical Centre deal was raised. In both instances it was alleged that thousands of pounds were kicked back to Kipat Holim figures and that Kimhi was in some way instrumental in these transactions.

With Kimhi's expected release today, only Asher Yadin, suspended Kipat Holim head, and his sister, Sara Hani, remain in detention. Charge sheets are to be filed against them shortly.

## Hamburg Mayor to visit here

The Mayor of Hamburg, Hans Ulrich Klose, will arrive in Israel for an official visit on December 12. Klose will meet with former Prime Minister Golda Meir, Foreign Minister Yigal Allon, Jerusalem Mayor Teddy Kollek and Tel Aviv Mayor Shlomo Lahat.

Our heartfelt condolences to  
**Habib Sibani**  
on the death of his  
**FATHER**  
Management and Staff  
Lime and Stone Production  
Company Ltd.

Deepest sympathies to  
Doris Frost  
on the passing of her  
**FATHER**  
Friends at  
Israel Discount Bank Ltd.

In deep sorrow, we announce the death of  
**Dr. SALO JONAS**  
The funeral will be held today, Sunday, December 5, 1976, at 3 p.m., in the old Netanya cemetery (Shechunat Ben-Zion)  
Wife, Cyla  
The Family in Israel and the U.S.A.

In deep sorrow we announce the death of our haver  
**JOHN CARVER**  
The funeral will take place today, Sunday, December 5, 1976 at 3.30 p.m. at the Kibbutz cemetery.  
The family and Kibbutz Givat Haim — Ihud.

We are deeply grieved by the death of our friend and adviser for many years  
**Eng. Dr. ROBERT HOFF**  
Families: M. and J. Djerassi  
R. and J. Marcus  
M. Neuberger  
H. Stattman  
U. Weinberg  
هذا من لاهل

Our heartfelt condolences to  
**EMANUEL (Mike) GRUSS AND FAMILY**  
on the death of the head of the family  
**OSCAR GRUSS**  
who died in New York on Thursday, December 2, 1976.  
Arye Leef and Haskell Seligman  
and the staff of the Tel Aviv office of the Israel representatives of Oscar Gruss and Son

## VANCE

(Continued from page One)

pointment, convinced that the experienced diplomat would retain America's support for Israel.

"Vance is fully in accord with Carter in opposition to the Arab economic boycott against Israel and in opposition to the massive U.S. arms sales policy to certain Arab states," one source close to the Carter organization said.

Vance did publicly come out against the sale of Pershing ground-to-ground missiles to Israel earlier this year. He was co-chairman of a prestigious study group analyzing U.S. arms sales to foreign countries.

In a report sponsored by the United Nations Association of the United States of America (UNA-USA), Vance and nearly two dozen other leading foreign policy thinkers here recommended that the U.S. declare a moratorium "on the transfer of weapons with city-busting capabilities, such as strategic bombers and surface-to-surface missiles, to Third World and Middle Eastern countries."

"The United States should approach the Soviet Union regarding a freeze on the shipment of very advanced arms to the Arab states and Israel," the report said. "The objective would be to maintain a military balance with the minimum influx of advanced weapon systems."

"The United States and the Soviet Union should agree to consult with each other before undertaking the shipment of arms to the Middle East. This system would involve prior notification and consultation, but would not give either country a veto power over the actions of the other."

In introducing Vance at the Platts, Georgia, press conference, Carter said that he had received "almost unanimous recommendations from around the country, and in some instances in foreign countries." It can be assumed that Israel, the United States, several of the Arab states and the NATO allies had been sounded out on the Vance appointment, according to sources here.

At the press conference, Vance was asked two questions on the Middle East, but he did not want to detail his replies.



Histadrut Secretary-General Yehoram Mechel (centre) and Abba Eban Minister Shimon Peres (left) seen unimpressed as Finance Minister Yehoshua Rabinowitz makes a point at Friday's joint meeting of the Cabinet and the Histadrut.

## Ways to fight inflation

(Continued from page One)

for a 1.7 per cent tax on all financial assets and bonds, but not approved saving projects.

People earning more than IL180,000 a year should pay a higher tax than they do now, it suggested.

The labour federation protested the Cabinet's decision to reduce, by 1 per cent, the interest it pays on bonds sold to pension funds and approved saving programmes. It was pointed out that the proposed cut was tantamount to a 15 per cent cut in payments to members of a pension fund.

Rabinowitz said the Government's efforts should centre on narrowing the gap in the balance of payments. This means lowering the standard of living, curbing consumption, increasing exports and cutting imports, he said.

After the meeting, Mechel told reporters the difference between the Government and Histadrut stems from the fact the Government wants to cut payments to stop the inflationary spiral, while the labour federation feared that unless workers are compensated adequately, the price rises, their demands will undermine the existing wage contracts.

Though the Secretary-General did not say so explicitly, he brought to mind the recent wave of strikes, sanctions and threatened strikes in the public service sector, partly caused by the Government's decision to cut subsidies to basic commodities by 20 per cent.

The parties decided that the sub-committee on curbing inflation (headed by Minister of Commerce and Industry Haim Bar Lev) and the committee on labour relations (headed by Labour Minister Moshe Baran) begin work immediately. The Histadrut thus reversed its decision, taken two days earlier, to participate in three committees.

**TODAY'S POSTBA**  
A LONG SCHOOL day will be held for pupils at 51 elementary schools this year. In an Education Ministry poll, 75 per cent of parents whose children had a day last year said they were pleased with the project. 54 per cent of the children did not stay on at school and 50 per cent of the teachers thought the project was good.  
728,000 TOURISTS visited Israel the last 12 months — \$1 per cent more than the same period last year, the spokesman of the Central Bureau of Statistics and Tourism Ministry announced on Friday.

**To The Horse Lover**  
who called me on Wednesday morning. Many thanks for the horse you found for me on the Hama/Haifa road.  
Claude Oliveira

I wish to thank all my friends for condolences on my bereavement.  
**Johanna Propper**



## PERES ON BBC OPPOSES OVERALL SETTLEMENT Negotiations first with Syria, then Egypt'

MARK SEGAL

in Post Correspondent

Defence Minister Peres has urged gradual, overall, negotiations for a peace settlement between Israel and her neighbors. In a BBC TV interview Peres warned that any Geneva talks could well invite disaster. He said Israel is unable to tackle negotiations with Syria and then in order to reach agreement on outstanding issues. While what Israel was pre-negotiating with Syria, he said, is its readiness to go to war.

Peres came here from where he addressed a Jewish leader, and last due to be the main dinner launching the sign of the Joint Is-

rael Appeal.

As for Sadat's "peace offensive," Peres said that "while Arafat offers us peace without real peace, he is not ready for trade or diplomatic relations, so it's hard for Israel to pay the price for an arrangement that is not really peace." He reiterated Israel's refusal to accept the PLO's presence at Geneva, noting that as long as the PLO charter remains unchanged in its aim of destroying Israel, there was nothing to talk about.

Peres emphasized that Syria's presence near Israel's border with Lebanon "represents a threat to Israel." He added, "Having been surprised once before we won't let it happen again." Nevertheless he believed the Syrians are today more attuned to reality, having perceived the dangers of PLO extremism, "and they are no longer so innocent regarding the Russians."

Correspondent Wolf Blitzer reports from Washington: Defence Minister Peres comes to Washington on December 12-13 for arms talks with U.S. Defence Secretary Donald Rumsfeld and other American officials. The talks will reportedly have the Israeli request for F-16 fighter bombers, advanced electronic counter-measures and the four items approved by President Ford for supply to Israel during the final weeks of the presidential campaign.

President-elect Carter has said that he will not meet with representatives of foreign countries during the current transition period. But Peres will see some Carter aides. A meeting with former Defence Secretary James Schlesinger has already been set.

Originally, Peres had wanted to see Carter during the transition period, just as former Defence Minister Moshe Dayan had met with

the then President-elect Richard Nixon in December 1968.

Ostensibly, Peres is coming to address United Jewish Appeal and Israel Bonds gatherings. He is scheduled to arrive in New York shortly.

Informed sources here said that it was unlikely that Peres would receive a final response from the outgoing Ford Administration regarding Israel's long-standing request for co-production rights to the F-16, which Israel is counting on as the mainstay of its air force in the 1980s. This is a decision that will have to be left for the Carter White House, the sources said.

Regarding the items approved by Ford near the end of the campaign, Peres will seek to determine when they will be delivered to Israel during the transition period. Peres said that it could take some time because two of the items have not yet even been introduced in the U.S. arsenal.

## Goldmann believes M-E peace 'closer than ever'

Dr. Nahum Goldmann

of the World Jewish Congress said here on Friday he believed the Middle East crisis time since the creation

of the state. He said he got the hat since the creation of the state, Syria, Iraq, and the Arab-Israeli conflict are

before the opening here a three-day conference of the Congress, Goldmann big powers, principally also the Soviet Union, to take a large role in

bringing about a settlement.

The 84-year-old Goldmann said the conference — the first international Jewish meeting to be held in Spain since the Jews were expelled in 1492 — would deal with the situation of Jews in the Soviet Union, as well as the Middle East question.

About 70 delegates from European countries — including Yugoslavia and Rumania — are attending, as are 25 delegates from Spain's Jewish communities and observers from Czechoslovakia, Hungary, Poland and East Germany.

He said the conference was being held in Madrid at the invitation of Spain's 12,000-strong Jewish community. He will see King Juan Carlos for a courtesy call tomorrow.

(Reuter)

## Jewish woman brings sons home through Good Fence

YOEL DAB

in Post Reporter

A Jewish woman, Israel and four of her born in Lebanon, came the Good Fence last year and happy return her aged parents, men, close to 50, had the rabbinical court-litigation judgment that the children, all circum-

plained that 30 years had fallen in love with a Moslem. Against the parents, she married allowed him to Lebanon. ago, he divorced her two other wives, one

Christian and one Moslem. Since then she had looked for an opportunity to return to her home town.

Her parents confirmed her story and the court was satisfied about her origin. The woman said that she had never formally abandoned the Jewish faith. The woman and children, aged 15 to 19, were ordered to take a ritual bath.

The oldest of the sons is abroad studying and she does not know whether he will join her after graduation.

The grandfather thanked both "the Lord and the Good Fence" for the good fortune which enabled him to see his daughter and grandchildren.

## Libya's Sepulchre woman freed

Margarida, the Brazilian, was sentenced to six months for more ransom for having course in the Church of Sepulchre, was released after a three-judge panel in the Jerusalem court decided to cut her six months to three. Margarida had already

been in a police lock-up for more than three weeks she was released on Friday.

The prosecution asked that her sentence be cut because in passing the original sentence the Magistrate's Court judge was not aware of the tragic events that had rocked her life in the last month. Luisa Margarida is a widow whose three children were nearly taken from her by the family of the late husband. Her youngest son, aged three, had died last month and her relatives in the village of Deir Aboud near Ramallah have disowned her.

The judge agreed to reduce her sentence because she is a widow, a mother of three and plans to return to Brazil soon.

(Itim)

## BIG-TIME BUILDER

(Continued from page One)

Ltd. with its annual turnover of about IL150m. is one of the more important factors on the Israel building scene today. Best known as builders for the "common man," the company specializes in housing for young couples, new immigrants, and senior citizens.

The two brothers, Aharon and Avraham, after whom the company is named, have their offices in modest buildings on Levanon Street, in the heart of Tel Aviv's business section. Perhaps the modesty of the head office appointments may be connected with the humble beginnings of the brothers who immigrated from Poland in 1923.

Their start in the building trade began with Aharon being employed as building worker and carrying bricks to the third floor of a house being built in Tel Aviv. The wages then were quite good for skilled laborers. Avraham, who began as a shutter installer, in 1935 was able to earn a \$1 a day, a princely sum in those days.

The company's activities are generally in the suburbs of major cities. Sometimes it is involved in luxury building such as the Hadar Wexmann project with its three tower buildings.

Another exception is the new project on land adjoining the Tel Aviv WZO center. This will consist of 120 apartments built on the highest standards.

In 1968, just prior to the recession, they originated the first major construction programme aimed at young couples.

The company's policy has been to build about 50% for the public sector such as Shalom Ovdim during periods of prosperity, with the balance for the private sector. In times of recession the ratio is exactly reversed.

After the Six Day War, at the government's request, they built parts of Ramat Hashikma and the French Hill projects in Jerusalem. They continue to build in outlying areas such as Kiryat Gat and Kiryat Malachi and are connected with the building programmes of the Ministry of Housing.

Building for the government does not imply governmental subsidies or land giveaways. The only advantage being the availability of mortgage funds which are government directed and backed. However, in the Jerusalem area and in the territories the company has received land when working on government-connected projects.

## 'Revamp civil service wage structure'

By DAVID KRIVINE

Jerusalem Post Economic Correspondent

A high-level public committee should be appointed straightaway to revamp the entire wage structure of the civil service, Ephraim Yermans, the Treasury official in charge of wage policy, suggested in an interview with *The Jerusalem Post* on Friday.

This should be followed by the creation of a standing National Incomes Board, to review all wage claims in the public sector and to lay down guidelines for the negotiators. The above proposal, Yermans said, should be seen as a form of voluntary arbitration — an idea which has already been adopted in principle by the Histadrut.

The wage escalation which is taking place in the public service reached a peak in the doctors' wage settlement concluded last week, Yermans said. But he stressed that the increase is entirely confined to allowances for night work in hospitals.

What the staff men have gained is the equivalent of four days' pay per shift (extending from 4 p.m.

to 12 noon on the next day), instead of 3.2 days' pay as heretofore; but with the rates — last fixed in 1974 — updated to accord with the current price index.

Practitioners in the clinics gain no benefit from this, he pointed out. They are limited to the minor grade adjustments that were introduced in the civil service at large. Nevertheless the new contract means an average rise in gross monthly pay of IL2,000-3,000 a month for those affected. This is likely to influence the wage claims of associated and other employment groups, Yermans predicted.

He puts the blame on the lack of any authoritative frame of reference. Wages are determined by the only standard there is — the application of brute force. Yermans quotes from the Barak committee's report, which says: "Those occupation groups which are situated in positions of power (enabling them to shut down economic activity or impair the population's daily routine), and which are ready to apply that power" (italics in the Barak report) have managed to extract terms beyond those available to

other sectors in the public service. Even when the Government tried to oppose such claims, it mostly gave up in the end, and agreed to provide the requested wage benefits."

Mr. Yermans, who has been handling salary issues in the civil service since 1970, alleges that no country allows unrestrained wage bargaining in the Government sector as Israel does.

"He concludes that a set of standards must be fixed once and for all, determining precisely what wage levels ought to be in the Government service. When that is done, a board of experts with unimpeachable credentials should vet every wage bid in the light of those standards, and recommend a fair solution."

Their recommendations would not be binding. But they would put an end to the present vacuum, where nobody knows what is right and what is wrong. "If the board's decisions had the support of the public as I think they would — most of the strikes affecting the administration would not take place," Yermans believes.

## Libya's \$415m. investment won't affect Fiat's ties with Israel

By LISA PALMER-KILLIG

Jerusalem Post Correspondent

ROME — Fiat President Gianni Agnelli said on Thursday that his relations with Israel would not be affected by Libya's \$415m. investment in the giant automobile company.

"Politics have nothing to do with this deal," he said, when asked at a news conference in the investment by oil-rich Libya in the Jews and Israel. Gianni Agnelli's financially-sound firm would have consequences in relations with Israel. "These gentlemen consider themselves as pure investors," he pointed out.

There seemed to be no reason to

doubt Agnelli's sincerity in view of a comparable situation in 1973 when Libyan leader Muammar Gaddafi tried to force Agnelli to fire the Jewish editor of a newspaper owned by the Agnelli family. Despite Gaddafi's threats to boycott Fiat, the Jewish newsmen continued to be editor of "La Stampa."

The Agnelli family, moreover, has a long record of relations with the Jews and Israel. Gianni Agnelli's daughter is married to the son of the ex-president of the Jewish community in Paris, and when his mother was kidnapped in Turin over a year ago, the Agnelli helped put up the ransom. Gianni's sister,

Susanna Agnelli, a writer, and senator of the Italian Republican Party, participated a year ago in a panel on Soviet Jewry.

The immediate reactions of amazement at the amount of money involved in the deal — plus reservations concerning the intentions of the firm's new partners — were coupled with criticism of Agnelli for having acted on his own. A few Italian ministers have, however, admitted to being informed a few days prior to the announcement.

A decision of such wide-reaching national consequences should not have been kept secret, political leaders felt. The Left, including Socialists and Communists, said that the most upsetting aspect was that private investments of such proportions could take place outside the framework of government planning or control. Some observers believe that because of the importance of the transaction for Italy's economy, a chance exists that this may have been a first step towards eventual government takeover of Fiat. All agree that economically, the country has all to gain from the deal.

Italy's business dealings with Libya have been stepped up of late. There is intensive economic co-operation between the two countries and national and private Italian industries have many subsidiaries in Libya.

However, as several political leaders stated, "many questions still remain to be answered." Above all, they ask, what will Libya really receive in return for boosting Italy's economy by what amounts to one-fifth of the national deficit? Fiat tanks, perhaps? What else?

Libyans will soon occupy one of the top five executive positions and two of the 15 seats on Fiat's board of directors. Also unanswered is what their relations will be with other executives and members of the board.

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## Carter Secretary of State known as administrator, not as innovator

WASHINGTON. — Cyrus Roberts Vance, adds Secretary of State to his list of government jobs, but nowhere in his biography is the title that suits him best: Troubles-shooter.

One thing is sure. A world used to the flamboyance of Henry Kissinger will find him radically different in manner and appearance.

Vance, now 59, impressed Lyndon Johnson in the 1950s and rose through the Kennedy and Johnson administrations from general counsel of the Defense Department, to Secretary of the Army, to deputy Secretary of Defense.

He was known as a good administrator, never an innovator. One man who worked for Vance called him an echo, another a messenger boy.

But he made his reputation filling the hot assignments. He represented then-President Johnson in the Dominican Republic crisis of 1965, then in the Panama Canal Zone disturbances, the Greek-Turkish disputes over Cyprus, the Detroit riots, a Korean crisis, the burning and looting in Washington following the assassination of Martin Luther King in 1968, and finally as the No. 2 negotiator at the Vietnam peace talks in Paris.

As the No. 2 man in the Defense Department in 1967, Vance defended the Vietnam war saying, "I believe that we are engaged in a just battle."



Cyrus R. Vance: different in manner and appearance from predecessor. (UPI telephoto)

And after the summer 1967 race riots in Detroit, he wrote a report that called for using troops to gather advance information in American cities where the possibility of racial strife existed.

Vance and Kissinger couldn't be more different. Kissinger, a German-Jewish refugee, pulled himself up by his bootstraps. He is short, portly and often ruffled.

Vance went to private schools, graduated from Yale. He is a

six-footer and dresses impeccably, like an English gentleman.

Both men are extremely articulate — but unlike Kissinger, Vance rarely uses slang terms. He speaks more directly than Kissinger, who is full of double convolutions.

Vance is reserved, understated and uses a lawyer's care when he discusses specific diplomatic problems. Kissinger relishes the surprise. The revelation that he had made a dozen secret trips to negotiate with the North Vietnamese; his first trip to Peking, the glamour of shuttle diplomacy, with a circus of reporters aboard his plane.

President-elect Jimmy Carter has said that he will be in charge of his own foreign policy, a role that would seem to fit the spear-carrier stance for which Vance is noted among those who worked for him. If that happens, power would flow back to the President's national security adviser, as it was when Kissinger had that job under Richard Nixon.

"He is known as a guy who carried out instructions very well," said a Defense Department source. "He functioned that way under (Defense Secretary Robert) McNamara, who was a strong guy in his own right."

Vance's strength is as an administrator. Averell Harriman, who headed the Johnson administration delegation to the Paris peace talks, was an old-timer chosen for his reputation rather than his capacity to perform all the laborious mechanical details that was Vance's job. Vance has been co-sponsor of several different foreign policy reports, including a recent one on disarmament in which he disagreed with any unilateral withdrawal of tactical nuclear weapons from Europe.

Vance was born in Clarksburg, West Virginia. He served the U.S. Navy from 1942 to 1946 on destroyers in the Atlantic and the Pacific, leaving the service as a lieutenant.

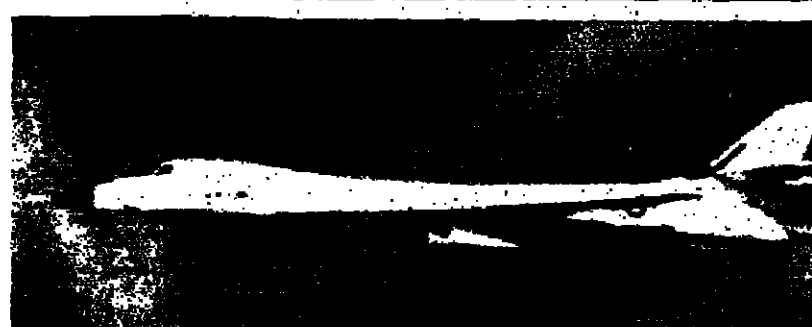
He became a partner in a New York law firm, leaving in 1957 to help set up an inquiry by a Senate committee into military and space programs. Johnson, then Senate Democratic leader, was in charge of the hearings and persuaded Vance to stay on as committee counsel.

After John F. Kennedy was elected, the president's talent scouts asked Vance if he wanted a job in the Defense Department. Vance voiced a preference for Secretary of the Navy but had served in it in World War II. But McNamara turned him down for lack of administrative experience, and made him general counsel instead.

He became Secretary of the Army in 1962 and two years later Johnson elevated him to the Defense Department's second-ranking civilian job.

But Vance had a painful back injury, aggravated when he hurt his knee while examining a flat tire on his car. The pain was so bad at one point, that he worked in his office lying on a bed.

When Johnson sent him to the Detroit riots, Mrs. Vance went along because he needed someone to tie his shoes. While she was there, Mrs. Vance went to a Salvation Army relief centre unannounced and volunteered for work. She folded blankets and sweaters and guided homeless riot victims. (AP)



The controversial \$94m. B-1 bomber, planned to be the mainstay of the U.S. airborne nuclear deterrent. (AP radiophoto)

## B-1 production ordered despite Carter stand

By GEORGE WILSON

WASHINGTON. — The Ford administration ordered the B-1 bomber into production on Thursday despite President-elect Jimmy Carter's expressed opposition to taking the step at this time.

Defense Secretary Donald Rumsfeld said that after consulting President Gerald Ford, he had concluded that it "is in the national interest" to proceed with the Rockwell International to produce the bomber. Under the Air Force plan, Rockwell would build 244 of the four-engine, super-sonic bombers for \$22,900m. — \$94m. a plane if the cost does not rise above current estimates.

Jody Powell, Carter's press secretary, quoted the President-elect as saying he felt the move was "completely consistent" with the Ford administration's previous position. He noted that Carter will ultimately make the final decision on production of the bomber and said Carter plans a "thorough review" before making a decision.

Air Force Secretary Thomas Reed said at a Pentagon press conference

on Thursday that the production contract has limited funding to \$87m. a month from now until June 1977 in order to satisfy Congress and to give Carter time to review the programme before B-1 spending gets any higher.

The Air Force Secretary said, "The basic reason" for building the B-1 is that "there is every indication that the Soviets are driving for strategic superiority by the early 1980s. The B-1 is the strategic initiative that can address that imbalance."

Although the U.S. still has B-52 bombers that could drop hydrogen bombs on Russia, Reed said those planes cannot last much longer and should be replaced with the B-1. "By 1982," he said, "when the B-1 is operational, the average age of our B-52s will be about 25 years."

The B-1 takes off faster than the B-52, giving it a better chance of escaping destruction on the ground in a surprise missile attack, flies faster, is smaller and carries electronic systems that would be harder to jam than those inside the B-52.

## Assembly considering renewed Geneva talks

UNITED NATIONS. — Jordan urged Israel and other Middle East countries on Friday to "unshackle" themselves from the past and meet in Geneva for a peace conference. Echoing a theme struck by Thursday, Ambassador Hassan Nu'sabeh of Jordan told the General Assembly that the Arabs were presenting "a genuine option for the attainment of real peace" in the Middle East.

"Two avenues are open to the Israelis — real peace or a struggle lasting generations," he said, on the second day of the UN debate on the Middle East.

He appealed to the Israelis to accept an Egyptian resolution calling for the reconvening of the Geneva talks on the initiative of the UN Secretary-General.

It asks the Secretary-General to resume contacts with all governments involved in the conflict and report the results to the Security Council by March 1, six weeks after President-elect Jimmy Carter takes office.

An American official said the resolution "appears extremely mild and acceptable." But he said he wanted to reserve judgment as to how the U.S. will vote pending consultations with Washington. Israel's response appears to depend on the role the Palestine Liberation Organization would play in future negotiations.

The resolution does not specify that the PLO must take part in the Geneva conference, but the Israelis say they "don't like" a preambular paragraph that refers to a PLO role in the preliminary consultations.

Egypt on Thursday also called on Israel to end its "obstruction tactics and procrastination." Israeli Ambassador Haim Herzog then declared: "For our part, the Geneva conference of December 1973, can be reconvened tomorrow. What purpose therefore, I ask you, is there in all this fruitless barren dialogue?"

Herzog also complained that the UN was wasting millions of dollars in repeated debates on the Middle East question.

The "luxury" of concentrating attacks on Israel for half of the Assembly session cost about \$30m, he said.

He said the Government of Israel had recently said once again it was ready for the U.S. and the Soviet Union to reconvene the Geneva Conference "as originally con-

## Amin says Gaddafi 'punished' actors

LONDON. — The death of a Gaddafi Cambridge while playing the role of President Mu'amin in a film about the Israeli raid on Entebbe was "punishment" for the "sinful" Gaddafi, said Amin.

In a broadcast monitored by the radio said sources close to the Ugandan leader had quoted him as saying: "Cambridge's death should serve as a lesson to those who intend to take part in a dialogue film or to those who want to imitate Field Marshal Amin."

Cambridge, 43, died of a heart attack at Burbank, California, on last Monday while working on the film "Victory at Entebbe."

## Police sweep nets 300 blacks near Cape Town

CAPE TOWN. — South African riot police on Friday rounded up 177 blacks as they continued an intensive sweep in the African townships of Guguletu and Nyanga to flush out suspected arsonists, riot organizers and petty criminals.

This brings to over 300 the number of blacks arrested since a special police task force went into the townships at first light on Thursday.

The operation follows three days of rioting earlier last week, during which two blacks were shot dead. A police spokesman said that

those arrested on Friday would be facing a wide variety of charges ranging from possession of cannabis and stolen goods to offences related to the riots.

There has been no rioting in the townships since Wednesday night and a police spokesman said: "It seems we are on the right track."

In Grabouw, a small, white town southeast of here, police said four coloured (mixed race) men threw two petrol bombs at the offices of a bus company. They escaped by car. Only one bomb exploded, causing slight damage.

## France to sell Libya more planes

PARIS. — France plans to sell 15 Transall military transport planes to Libya in a new oil-for-arms deal, aircraft industry officials said on Friday.

Libya, which has already bought more than 150 Mirage jet fighters, bombers and other French equipment, is expected to pay in oil supplies, they said.

France had decided to reopen its Transall aircraft assembly line earlier this year to meet Egyptian air force demands and other export markets.

The Transall, jointly manufactured by France and West Germany, is designed to carry 100 troops with full kit. (Reuters)

## Dayan can't view Ramses II mummy

CAIRO. — The French government has refused Moshe Dayan permission to visit the mummy of the Egyptian Pharaoh Ramses II, the newspaper "Al-Khbar el-Yom" reported yesterday.

The paper said the French refusal was at the request of the

Egyptian embassy in Paris. It did not say when Dayan had made the request. The 3,200-year-old mummy was flown to Paris last October for treatment after showing signs of decomposition in the stomach cavity and legs. (Reuters)

## THE ISRAEL PHILHARMONIC ORCHESTRA

**SUBSCRIPTION CONCERT No. 3**  
CHARLES DUTOIT, conductor  
JOSEPH KALICHSTEIN, piano  
SOLO SINGERS and CHOIR  
TEL AVIV  
Mann Auditorium, 8.30 p.m.  
Tonight,  
Sunday, 5.12.76 — Series 6  
Series 7: Tuesday, 7.12.76  
Series 8: Wednesday, 8.12.76  
Programme:  
Mendelssohn, Honegger

**SUBSCRIPTION CONCERT No. 1**  
CHARLES DUTOIT, conductor  
JOSEPH KALICHSTEIN, piano  
TEL AVIV  
Kinneret Esco Music Centre  
Monday, 6.12.76, 8.00 p.m.  
Programme:  
Schubert, Mendelssohn, Debussy, Falla

**YOUTH CONCERT No. 1**  
SHALOM RONLY-EKILIS, conductor  
TEL AVIV  
Mann Auditorium  
Thursday, 9.12.76, 5.30 p.m.  
Programme of works by  
Vivaldi, Saint Saens, Tchaikovsky, Respighi, Stravinsky

**LIGHT CLASSICAL MUSIC SUBSCRIPTION CONCERT No. 2**  
CHARLES DUTOIT, conductor  
MICHAEL HANAN, cello  
GIDEON STEINER, ALON BOR, YOEL LEVY, DEBORAH SCHWARTZ — percussion  
TEL AVIV  
Mann Auditorium  
Saturday, 11.12.76, 8.30 p.m.  
Programme:  
Schubert, Kraft, Saint Saens, Debussy

**SUBSCRIPTION CONCERT No. 4**  
LOREN MAZZEL, conductor  
JANOS STARKER, cello  
TEL AVIV  
Mann Auditorium, 8.30 p.m.  
Series 1: Tuesday, 14.12.76  
Series 2: Thursday, 16.12.76  
Series 3: Saturday, 18.12.76  
Series 4: Sunday, 19.12.76  
Series 5: Monday, 20.12.76  
Programme:  
Dvorak: "Carnival" Overture  
Schumann: Cello Concerto  
Falla: "Three Dances from 'The Three-Cornered Hat'"  
Debussy: "Jardins sous la pluie"  
JERUSALEM  
Binyanei Ba'oma, 8.30 p.m.  
Monday, 13.12.76

## Troops restore order in Chinese province

HONGKONG. — More than 12,000 troops in China's troubled Fukien province have restored order in the province where supporters of the "gang of four," led by Mao's widow, Chiang Ching, had created "turmoil," Hongkong's two major Chinese Communist newspapers reported yesterday.

The newspapers, quoting an official New China News Agency dispatch from Fochow, Fukien's provincial capital, said that the troops, with the cooperation of civilians, "swept aside the sabotage activities of the gang of four like fallen leaves."

The dispatch dated Friday said "historical victory rallies" were held all over the province in Southeast China across the Formosa Strait from Taiwan.

Signs emerged yesterday of a major shakeup in Peking's foreign service following the sackings of Foreign Minister Chiao Kuan-hua and his replacement by China's envoy to the UN, Huang Hua. The dismissed foreign minister is understood to have been under attack for some time for apparently being influenced by the purged "gang of four." However, there were no public accusations made against him.

There were indications that the future of other ministers also could

be in doubt. Diplomatic sources reported that at least seven more Chinese ambassadors had been recalled or had already arrived in Peking.

Sources cautioned against interpreting this to mean there would be immediate foreign policy changes. They expect China's foreign policy line to remain the same — but they had no doubt a major departmental reshuffle is under way.

The ambassadors affected, in addition to the envoy at the UN, are those accredited to Japan, Iraq, Sierra Leone, West Germany, Guinea, Italy and Turkey.

Of the ministers whose posts could be in doubt, Sport Minister Chuang Tse-tung, a former table tennis champion, has been criticized for alleged radical connections. Diplomats also believe the Minister of Public Health, Madame Liu Hsiang-ping, is in political difficulties.

The appointment of Huang as foreign minister "will simply be exchanging one experienced man for another," one senior analyst said. Huang's special asset is that he has been spearheading China's diplomatic drive in America over the last five years. Peking-Washington ties are likely to remain of paramount importance for the foreseeable future. (Reuters, AP)

## China's new FM cordial to Herzog

Jerusalem Post Correspondent

WASHINGTON. — China's new Foreign Minister, Huang Hua, who assumes his post after five years on his country's ambassador at the UN, was the only member of the Chinese delegation at the world body who publicly greeted Israel's envoy Chaim Herzog.

The new foreign minister regu-

larly spoke with Herzog in the UN corridors and at diplomatic receptions. Other Chinese diplomats at the UN steadfastly avoided any contact with Israeli representatives.

Herzog told The Post that Huang is a "very nice person, highly intelligent and extremely able." Huang never walked out of the UN when Herzog spoke, always listening very attentively.

## Wall Street Week

## Moderate drop for market

NEW YORK. — A barrage of news on unemployment, inflation and U.S. President-elect Carter's plans for dealing with them left the stock market moderately lower this past week.

The Dow Jones average of 30 industrial stocks was 6.07 points lower at 950.55 when it was over its wavering during the week reflected the Market's indecisiveness about the economy and the new president.

There was little visible reaction on Wall Street to the announcement on Friday that unemployment jumped to 8.1 per cent and wholesale prices rose .6 per cent last month. Analysts said the figures confirmed what many already suspected about the economy, and they made some action to spur the

economy by Carter more likely. And Carter said in a Friday afternoon news conference that some kind of stimulus now seemed likely after he took office, but he said he had not decided on its form.

The New York Stock Exchange's composite index of all its listed common stocks fell .13 over the week to 55.20, and Standard and Poor's 500-stock composite index fell .39 to 102.78.

Volume on the NYSE averaged 20.74m. shares a day, just above the 18.86m. daily average a week earlier. The most active Big Board issue was Occidental Petroleum, up 1/2 at 21 1/2. At the American Stock Exchange, the market value index fell 37 to 100.15. (AP)

## Technion — Israel Institute of Technology University of Haifa Society for Medicine and Law

The public is invited to an

Technion City, Haifa, on December 20-23, 1976

The main themes of the Conference are:

- 1) Pedestrian and Cyclist Behaviour
- 2) Statistical Analysis of Accident Trends
- 3) Town Planning and Environmental Considerations
- 4) Road Design and Traffic
- 5) Injury Aspects and Medical Problems
- 6) Legal Aspects
- 7) The Role of Government

For further information, please contact:  
A. Katz, General Secretary  
Road Safety Centre  
Technion City, Haifa. Tel. 04-225716

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Business Lunch  
Sun-Fri. 12.3 p.m.

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28 King David Street, Jerusalem

For reservations call Tel. 225491

## THIS WEEK at the TEL-AVIV MUSEUM

**EXHIBITIONS**  
Tel Aviv Museum, 27 Sderot Shaul Hamelech  
Turis Beeri — Etchings — Graphics Halls  
Zache Hall — from the Museum collections:  
Classic art of the 16-18 centuries (Italian, Dutch, Flemish, English, French) and Jewish art  
Helena Rubinstein Pavilion  
Closed to permit preparation of the exhibition  
Israel Architecture 1976  
which will open on December 14

**LECTURES**  
Monday, December 6, 8.30 p.m. in the series, "Israeli Art: Drawing, Sculpture and Architecture" —  
Lecture 3, Israeli Drawing before the Establishment of the State. Lecturer: Dr. Gila Balas, Tel Aviv University.

**CONCERTS**  
In the series, Casals' Bach Favorites — Concert No. 1  
Tuesday, December 7, 8.30 p.m.  
The Well Tempered Clavier, Book I. Shimon Rukhman, harpsichord  
24 Preludes and Fugues  
Sale of single tickets for this series will start on Sunday, December 5.

Saturday, December 11, 8.30 p.m.  
Recital by Daniel Adni, piano  
Evening of Romantic Music  
Programme: Mendelssohn — 6 Songs Without Words; Liszt — Sonata in B Minor; Chopin — The Four Ballads  
Visiting hours: Sun, Mon, Wed, Thur, 10 a.m.-5 p.m.  
(Library 10 a.m.-4 p.m.); Tue, 10 a.m.-1 p.m., 4-10 p.m.  
(Library 10 a.m.-1 p.m., 4-7 p.m.); Fri, 10 a.m.-2 p.m.  
(Library 10 a.m.-1 p.m.); Sat. night, 7-11 p.m.  
The Museum Building, Sderot Shaul Hamelech, will be open on Saturday, 10 a.m.-1 p.m., entrance free.

JOIN THE FRIENDS OF THE TEL AVIV MUSEUM!

## THE ISRAEL PHILHARMONIC ORCHESTRA

**Notice!**  
Youth Concert No. 1  
will take place on  
Thursday, December 9, 1976, 5.30 p.m.  
Concert No. 2  
Light Classical Music  
will take place on  
Saturday, December 11, 1976, 8.30 p.m.  
and not as previously announced.

הקזאמן לאמר



## tries omacy'

S that Israel has failed itself to the Middle East was always distinguished zing shifts of policy?

Week In Review  
ANAN SAFADI

ly militant institutions, the Palestine National s to convene in Cairo

be rather an illusion on any Israeli or Jewish soeive that the flirt with could either neutralize he neighbouring Arab help settle any major he Middle East conflict

denies qual  
wealthy T

thus would do better te on developing an ap-Sadat's "governmental offensive, which is the new dimensions next han the Egyptian leader further moves with Synt Hafez Assad - now r one Arab leader to h in the area.

NICOSIA, Cyprus. — Radical Pa-  
lestinians, many escaping on rusty  
freighters to Cyprus from Syrian-  
occupied Lebanon, have gathered in  
Iraq to mount a terrorist campaign  
against moderate Arab regimes.

An assassination attempt against  
Syria's Foreign Minister, Abdul-  
Halim Khaddam, last Wednesday,  
followed hotel raids in the Syrian  
and Jordanian capitals and a rash  
of sabotage bombings in Syria.

Iraqi radio reported over the  
weekend that the extremist Palestin-  
ian group known as "Black June"  
claimed credit for the attack on  
Khaddam. The Baghdad-based terror  
group is also blamed for the hotel  
raids.

An American diplomatic source,  
reporting the exodus of extreme-left  
Palestinians from Beirut, said those  
fleeing appear to be congregating  
around the maverick terrorist leader,  
Abu Nidal, who has been accom-  
panied from the mainstream  
Palestinian Liberation Organization  
led by Yasser Arafat.

Arab security officers say Abu  
Nidal is the founder of "Black  
June," which is blamed for a Sep-  
tember 26 attack on the Semiramis  
hotel in downtown Damascus. Four  
hotel guests were killed and 34  
wounded as Syrian troops counter-  
attacked, killing one terrorist and  
hanging three others outside the  
hotel the next day.

A month later the Intercontinental  
hotel in Amman was raided by four  
"Black June" members. Jordan's  
security forces refused contact with  
the terrorists and reacted fiercely.

Three terrorists and six other per-  
sons were killed. Jordanian officials  
told a visiting correspondent recent-  
ly they expect an eruption of ter-  
rorist attacks.

Far from Israel, and limited in  
number, the radicals appear to be  
resorting to terrorism in an effort  
to disrupt and undermine the  
moderate Arab regimes — especially  
the emerging Arab alliance of Saudi  
Arabia, Egypt and Syria. Leaders  
of all three nations are showing  
unusual unity and an increasing  
willingness to develop a dialogue  
with Israel.

Syria's President Hafez Assad  
was authorized to make peace in  
Lebanon and tame the fractious  
Beirut-based Palestinian movement

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rorist attacks.

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ALSO FROM Syria, there were  
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## 'Black June' terrorists gather in Iraq, plan terror campaign

By NICK LUDINGTON

September 26 attack on the Semiramis  
hotel in downtown Damascus. Four  
hotel guests were killed and 34  
wounded as Syrian troops counter-  
attacked, killing one terrorist and  
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security forces refused contact with  
the terrorists and reacted fiercely.

Three terrorists and six other per-  
sons were killed. Jordanian officials  
told a visiting correspondent recent-  
ly they expect an eruption of ter-  
rorist attacks.



AGADIR, Morocco. — On the edge of the Sahara desert, thousands of armed, fanatic Moroccans are currently massing for an all out fight to the death against these French Legionnaires. The year how-  
ever is not 1976, but 1918, the period in which Dick Richards has set his action-adventure film "March  
or Die."

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## No one entering Egypt's open door

By JOSEPH FITCHETT



Sadat

CAIRO. — With a disappointing two-  
year record, President Anwar Sadat's  
"open door" policy of economic  
liberalization is moribund. The new  
cabinet, named after Sadat's own re-  
jection as President, probably marks  
the last realistic chance to get the  
Egyptian economy moving. This  
pessimistic rating of Egypt's econ-  
omic performance emerged from talks  
here with a cross-section of Egypt-  
ian and foreign officials and busi-  
nessmen.

In trying to sustain his pro-  
Western orientation, Sadat finds him-  
self in a deepening economic dilem-  
ma which could soon threaten his  
regime. On the one hand, he needs  
to take drastic measures of economic  
change which will shatter the arti-  
ficial protection around Egypt, which  
contented that country's growing  
population while impoverishing  
Egypt. On the other hand, Sadat  
is being ground in the struggle to  
meet the basic needs of Egypt's  
growing and impoverished popula-  
tion. Apostles of reform argue that  
Sadat can no longer postpone the  
painful plunge and retain any hope  
of turning Egypt into a self-support-  
ing nation.

Diplomats point out that Egypt  
was a victim of exaggerated expec-  
tations aroused by Sadat's promises of  
lavish Western aid as a reward for  
turning away from Russia and  
favouring the West after the Octo-  
ber 1973 war. Many diplomats feel  
that Sadat is personally responsible  
for Egypt's reorientation and argue  
that they should get more lavish aid  
on political grounds. Even if Egypt  
has been disappointing economically,  
the Sadat regime should be helped  
because it is capable of leading the  
Arabs to make peace with Israel and  
of helping the West stabilize the  
region, these analysts say.

This argument will be heard loudly  
at the coming meeting in Paris of the  
new "consultative group" compris-  
ing major donor nations providing  
economic aid to Egypt: the main in-  
dustrial nations plus the oil-rich  
Arab nations and Iran. Specifically,  
the United States is believed eager  
to promote group decisions which will  
obligate the Arabs to be more forth-  
coming. Recently, Saudi Arabia and  
its smaller neighbours, discouraged  
at Egypt's insatiable need for money,  
have tried to restrict their help to  
project aid in an effort to get tan-  
gible results for their money. They  
are also pressing for implementation  
of radical reforms demanded by the  
International Monetary Fund (IMF)  
— reforms such as a halt to the sub-  
sidy of bread which many diplomats  
feel would be tantamount to political  
suicide for Sadat in Egypt's hard-  
pressed state.

Project aid and IMF fiscal dis-  
cipline are also dear to the U.S.  
aid officials who want to justify  
their programmes to an investiga-  
tion-minded American Congress. But  
the American political leaders, like  
their counterparts in other Western  
embassies, are starting to argue

that Sadat needs more money to  
keep in power and more time to  
get his house in order before real  
change can be expected.

The most conspicuous evidence  
that the opening of the Egyptian  
economic door has brought no ad-  
vantage is the fact that no major  
direct foreign investment has ma-  
terialised in Egypt under the new  
policy proclaimed by Sadat after  
the October war.

Visiting Cairo in the post-war  
euphoria in June 1974, former U.S.  
President Richard Nixon made a  
joint declaration with Sadat that  
American private investors had "pro-  
jects" under serious consideration  
exceeding \$2,000m. These joint ven-  
tures were supposed to cover all  
economic sectors: petrochemicals,  
transportation, food and agricultur-  
al machinery, land development,  
power, tourism, banking. Senior  
American officials streamed through  
Cairo spreading the gospel of Ameri-  
can enterprise, Arab money and  
Egyptian ability transforming the  
economy which Nasser left behind.

In fact, a single \$10m. plant to  
make aluminium fittings has been  
started, and its sponsor, American  
businessman Peter Nicholas, admits  
that he benefited from a unique  
incentive in having access to blocked  
funds in Egypt. The American  
firm, Rockwell, also started a small  
joint venture with the Egyptian de-  
fence industry, supposedly Egypt's  
finest, to make wellheads. Produc-  
tion is running at 3 per cent of  
the planned level.

Sounding more like an epitaph  
than a diagnosis of curable ills, a  
report by David Rockefeller's "U.S.-  
Egypt business council" asked what  
Cairo was in fact ready for  
direct foreign investment. Egyptian  
bureaucrats are timid or incompe-  
tent when they are not outright  
hostile, businessmen complain, par-  
ticularly towards new departures  
related to capitalism which Nasser  
barred from Egypt for a generation.  
(Ofns)

## How much OPEC wants

SIMON KENT

With the world recovery  
sion already in deep  
ious government leaders  
bankers throughout the  
d world are worried  
art threat to their econ-  
substantial rise in oil  
hough the Organization  
n Exporting Countries,  
has sometimes in which  
decision, the sparring  
begun.

asury Secretary William  
the increase in crude  
ill have a serious effect  
plunge the world back  
on just as it has begun  
it of the trough caused  
fold rise of three years  
the oil-producers seem  
armed to secure an in-  
Shah of Iran says  
nation has eroded his  
power by 40 per cent  
two years; his negotia-  
back a 25 per cent rise  
ning ploy but may settle  
at.

other hand Frank Zarb,  
States Energy Admin-  
the Ford Administra-  
he does not "believe the  
are entitled to a dime."  
is bound to become in-  
heated as the OPEC  
approaches — and the news  
ants on the subject will  
re and more irrational.  
s, whose sense of inter-  
relations is about  
the Department of the  
Siberia, will again bear  
of the criticism, much  
politicians who prefer  
their own failure in  
inflation to the oil pro-

near-solid unity of OPEC  
negotiations is not Arab  
a, nor even Islamic so-  
important and reliable  
the cartel include such  
Arab producers as Ni-  
onesia and Venezuela.  
rences of opinion that  
in OPEC are between  
s, rather than between  
and the others. Even if  
a rising oil producer  
in OPEC in future, it  
follow the line.

problem with OPEC's  
decision is to decide  
of the West's infla-  
ns can swallow before  
hand an increase in  
will fuel further infla-  
trouble is that there are  
ho are oil-dependent who  
in infla- or achieved  
success — or doing so,  
s have failed miserably  
are oil producers who  
industrialized or squand-  
money and others which  
uge surpluses.

but this weekend from  
gation for Economic Co-  
and Development (OECD)  
how wide is the gulf  
the major industrialized  
fighting infla- The

average annual rate is 7 1/4 per cent.  
North America is below the  
average, helped by the continued  
stability of its food prices. Inside  
Europe there are wide disparities.  
Britain's rate is 14.7 per cent al-  
though one-fifth of its oil needs  
are coming from the North Sea.  
Another oil producer, Norway, has  
8.2 per cent. West Germany, with  
no oil and gas of its own, is down  
to half the world average, just

below 4 per cent. Two other oil-  
importers, Japan and France, have  
prices going up at 9.7 per cent.  
Logically, therefore, oil producers  
— most of whom have to import  
their food, machinery, manufactur-  
ed products and almost everything  
else from the industrialized world  
— should be able to increase their  
prices by the amount of extra  
money they have had to lay out  
for imports. (Ofns)

## Middle East states turn to the sun

By PAUL HARRISON

GROWING realization among Arab  
nations that the oil will one day run  
dry has prompted fast-growing  
research into an alternative energy  
source: solar energy.

The sun beats down on the Middle  
East, providing the Red Sea area  
with the most solar energy in the  
world, about 300 watts per metre  
estimated on average, about three  
times the insolation of Europe's  
temperate zone.

It has been estimated that the  
solar energy reaching the earth is  
equivalent in five days to the world's  
entire proven energy resources.  
There are however, problems in col-  
lecting solar energy, primarily its  
cost, its diffuse nature and the fact  
that it is intermittent. The Middle  
East is ideal for research, because  
of its lack of cloud. Iran, for exam-  
ple, has an average of 300 sunny  
days a year.

Various experts estimate that Arab  
oil reserves will last from a project-  
ed 30 to 200 years. Iran is scaling  
down spending of its diminishing oil  
revenues, and the Saudi Arabian  
Minister of Industry and Electricity  
said recently: "Time is running out  
for Saudi Arabia, in more ways than  
one. Our oil supplies will not last  
forever." That comes from the  
world's richest oil power, with known  
reserves now standing at 180,000  
million barrels.

Small wonder then that the last  
few years have seen a big increase  
in the amount of research and de-  
velopment work on solar energy pro-  
jects. The Central Treaty Organiza-  
tion (CENTO) countries — the  
United States, the United Kingdom,  
Iran, Turkey and Pakistan — have  
just held a conference on solar  
energy in Teheran, fast establishing  
itself as a leading research centre on  
the subject.

The conference was also attended  
by representatives from Middle East  
and European countries. The member  
countries' delegates resolved to try  
to persuade their own governments  
to put more effort into research.

Solar energy can be used to heat  
and cool buildings, to generate elec-  
tricity, to heat water, to desalinate  
water, and to create fresh water to

grow plants in greenhouses.

Research is being carried out in  
dozens of projects worldwide. The  
U.S. government's programme is the  
world's biggest, totalling about  
\$460m. this year, but Middle East  
governments are becoming increas-  
ingly aware of the importance of  
solar energy research. France and  
Iran have agreed to collaborate on  
solar research, and France is to  
build a one-megawatt solar thermal  
power station in Iran.

In Egypt, France is also to set up  
two solar power stations. Saudi  
Arabian interest in solar research  
started at university level in 1967.  
There is a group working on the  
hydrogen economy, another group  
is working on solar housing and  
there are plans to set up a Solar  
Energy Research Centre at the Uni-  
versity of Petroleum and Minerals.

There has been some research in  
Iraq, particularly in the field of salt  
water distillation, and in Jordan the  
Royal Scientific Society and Dorrler-  
System Ltd., of West Germany are  
collaborating on research into a dis-  
tillation plant.

In Kuwait, research is particularly  
geared to air-conditioning and cool-  
ing techniques and a proposed line  
of approach is that if Kuwait could  
develop an efficient solar power sta-  
tion, then it would be in a position to  
export electricity to its neighbours  
when the oil runs out.

The biggest drawback to solar  
energy is, of course, cost effective-  
ness. Only two or three years ago, it  
was largely uneconomical. Now, with  
the price of oil having risen, solar  
energy is becoming more relatively  
economical.

Professor David Hall, of the De-  
partment of Plant Sciences, King's  
College, at the University of London,  
who is a member of the Interna-  
tional Solar Energy Society, says:  
"What is needed is a sustained and  
dedicated effort to develop solar  
energy. Only in the last two or three  
years has it been seriously studied  
and it will take 30 years to get a  
foothold, but the work has to be  
done now."

It is ironic that the Arab states,  
with their oil wealth, are among the  
few to have realized the importance  
of immediate action on solar energy.  
(WFS)

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## Rabin facing his party

PRIME MINISTER Rabin's report to the Labour Party Central Committee on Thursday would seem to signal his determination to assert a more active role in party affairs as he opens his own campaign for re-nomination as Labour's standard bearer. It is no secret that Mr. Rabin has neglected his role as party leader. It is equally obvious that he will not be able to evade the need to assert this role for much longer. The Labour Party and the broader Alignment enter the election year clearly troubled by the unsure prospects of winning in next November's election under his leadership.

Mr. Rabin's strategy (as he himself told columnist Joseph Kraft) in countering these doubts will be to come to the electorate with a breakthrough on the issue of relations with the Arabs, in an attempted repetition of the Alignment's "Geneva Peace Talks" strategy of December 1973. The thrust of this strategy will be to disarm the critics of his administration's lacklustre performance in domestic affairs by emphasizing Mr. Rabin's prospects of making such a seminal breakthrough towards an attenuation of Arab belligerency, and eventually to peace.

Certainly it is difficult today to envision the lines of such a dramatic turn of events with any clarity. This is all the more true as such breakthrough is at least as dependent on the Arabs, the new Carter Administration in the U.S., and possibly on the Soviet Union, as it is on Israel.

But Mr. Rabin has a much more urgent problem: obtaining a vote of confidence from his own party at its February convention. It would seem reasonable to expect Mr. Rabin to seek the support of the more dovish elements in Labour — who have little to seek from the direction of Mr. Rabin's main strategy. It is unreasonable to believe, however, that such a peace strategy can be fleshed out with even a modicum of credibility as early as February.

Therefore Mr. Rabin will be unable to rely exclusively on the foreign policy argument in order to obtain a resounding vote of confidence from the many wavering in his own party in February. Consequently he will have to attack the issue of his leadership and of the qualifications of the team which he will seek to lead into the elections.

There is growing anxiety in the Labour Party that the present Rabin Cabinet may not be sufficiently attractive to the electorate to weather the challenges from the Opposition and from the new groups forming in the centre. The Rabin Cabinet, however, is Mr. Rabin's in name only. It is, rather, a reflection of the various forces within the fragmented Labour Party of three years ago, which led to Mr. Rabin's installation as Prime Minister but denied him the role of unchallenged party leader.

The paradox is that in order to field a more attractive team, Mr. Rabin must first obtain his party's clear vote of confidence. But to gain that approval he must also first present an image of changed and more vigorous leadership.

## Over-spending as a norm

WHEN David Ben-Gurion was Chairman of the Jewish Agency Executive in the 1930's — so the story goes — he was given a one-way ship ticket to the U.S., where he was going on an important mission for the State-in-the-making, and expected to raise money on his own to finance his return.

Evoking this memory of a simpler yesteryear is not simply a matter of nostalgia: it provides an interesting vantage point from which to assess the mass exodus of the Jerusalem members of the Jewish Agency Executive for a meeting in London. It would be fatuous to deny that the world has changed in the intervening 40 years: jet planes have replaced ships, which have contributed to the shrinking of the world; the value of money, the concept of public service, and ideas on what constitutes a representative standard of living have changed beyond recognition. Above all, the volume and contents of the public trough from which officials of the Jewish people permit themselves to feed freely, have grown astronomically.

Harping on unconfirmed but undenied reports of \$70 per diem in addition to domiciling at the most expensive London hostels would be petty were it not for the unfortunate effect of these reports on public morale. Israel is a small, intimate society frequently inflamed by waves of intense social jealousy. There is thus a straight line from seemingly innocent examples of personal profligacy at extremely visible public levels to irresistible demands by larger groups — the physicians last week, to mention only one — for "more" under no less innocent guises.

It is in this direction that Mr. Rabinowitz should seek for the causes that have turned his incomes policy into a shambles. The fact that the Jewish Agency, in response to newspaper requests, has declined to release figures on the travels and travel budgets of its members, would seem to point to a silent admission of being remiss in its practices.

# Too little, too late

OUR CAPACITY for being taken by surprise seems to be almost unlimited. Consider only the last few weeks: We were surprised by the outcome of the Riyadh conference and we were surprised by the sudden Sadat-Assad reconciliation. The lesson of 1973 about the dangers of unmitigated "conceptions" has either not been learned or already been forgotten. This time it was the assumption of continuing inter-Arab rift, on which the Government had quite frankly based its major political conceptions.

Next we were surprised (and declared officially "disappointed" by the U.S. vote in favour of the Security Council resolution condemning Israel's policies in the administered territories. Of course, only someone who had expected the U.S. government's post-election stands to be the same as pre-election declarations could be "disappointed".

Now, once more, we have been taken by surprise by the Sadat peace

offensive. It had apparently been taken for granted that Sadat would conveniently wait with a move until we had time to establish close relations with the Carter administration and until the Israeli elections were closer upon us, so as to make American pressure more difficult (though not impossible: beware of another popular "conception"). It was not very sporting of Sadat thus to interfere with our most cherished tradition of recent years: the policy of "gaining time".

The immediate response by Government spokesmen was to declare the Arab peace offensive as no more than a "tactical move." Maybe. But if so, it must be admitted that it was certainly a brilliant one, with immediate success for the Egyptian president, both on the public relations level and in achieving strong tactical advantages and a superior manoeuvring position. Only later, when our own leaders realised that once more they had been caught with their pants down, was the tone

changed a little. Now it was said, that though it still seems that the whole thing is no more than a diplomatic stunt, we are quite willing "to put it to the test."

TOO LITTLE and too late. For the real question is not whether this is a hoax which should be exposed as such, but rather why we should always limp behind moves made by others. Even the genuine and correct public demand for a "counter-offensive" indicates that it is the other side that holds the initiative, while we are just reacting in a political battle imposed on us much against our will.

As if there were no vital Israeli interest in progress towards a settlement of the conflict, and as if the majority of Israelis would not be perfectly willing to make solid territorial concessions for the sake of peace.

This, indeed, is the major shortcoming of Israeli diplomacy in recent years: We seem to regard any

Israel must take more initiative in seeking peace. Our credibility is weakened when we insist on nothing less than a full-scale peace, writes ASHER MANIV.

change in the status quo as some kind of bitter medicine, which has to be rammed down our throats. Occasionally (like now) it is the Arab side that forces us to react; mostly it is the U.S. that administers the cure.

When we do sign an interim agreement, it is made to appear not as our independent decision in view of our own zeal for progress towards any — even if only partial — understanding with our neighbours, but rather because American "re-assessment" has left us no choice.

Moreover, our foreign policy makers kept on playing the same tune over and over again, even though it had only the faintest posi-

ble echo, both among Arabs and world public opinion — as if by so they could prove that they already done their duty and could demand anything more.

To avoid any misunderstanding should be made clear that to put a more activist peace policy, does not necessarily have to be called "dove." Full-fledged "haves of course, will shy away from since even they must realise that there can be no settlement without substantial compromises. By doubt that Sadat can be called Arab "dove," yet he initiated peace offensive, when even he realised that he cannot pose achieve all of his aims.

Once upon a time — in fact, more than 10 years ago — the peace initiative was always firmly in Israeli hands; and this was certainly to our detriment. Even if there were Arab response at the time, at least we had most of world opinion on our side. At that time nobody had slightest doubt that progress towards peace did not depend on one Israel. Today, rightly or wrongly, the impression is that peace, as he suddenly became more vital to Arab states than it is to Israel, in a complete reversal of the situation. It seems to us that the status quo. The reason for change is not that our "peace relations" or propaganda has suddenly become so much more effective than they were 10 years ago, but that we have failed in order to our foreign policy initiatives for a complete reaction at home.

Our diplomatic doctrine in the past days was well understood: we expected everybody's willingness to accept any (but any) avenue towards peace; and readiness to negotiate without any preconditions. It is at this point that we have failed. We have not had publicly declared any of that Israel was a reality and that we were willing to sign a peace agreement with her (even if his status had a string of conditions attached to it), there would have been public support in Israel. Naive, no do, presumably. But it was that naivety which gave, however, strength both in our foreign and internal relations and in our morale at home.

TODAY, instead of reiterating desire for negotiations without conditions, we answer his condition with a whole string of our own: point to the difference between peace "agreement" and a "peace treaty," which allegedly put the other side in a more "secure" position, and we stress that in order to be acceptable it must be "peace." It is by that we mean no more than full diplomatic relations, mutual trade, and perhaps a cultural interchange, it is no wonder if our sincerity is doubted.

Should have learned from our 64-year-old experience with post-war Germany, who is that any kind of peaceful relationship tends to have their own dynamic. To the Government's credit it had a gov always rejected the dangerous destruction of "all or nothing" (whose) votes know very well that all that cannot be achieved and that all that finally aim at is "nothing." We have seen this insistence on "peace" even if it means the destruction of the last-ditch defence in order to avoid the exploration of "any post-peace" avenue towards peace.

This, then, is the diplomatic past — expatriate presented by us to the world of peace. We have missed the opportunity to challenge from line most vital to our own: at present, we appear to be dependent on our own, and we are not even enticed behind a "peace" which, in itself, has no interest in the world. Maybe it is not yet too late to plan our own offensive for the time and place favourable to us. There is certainly not much time for the And to regain the initiative, Government must be willing to face the inevitable ideological challenge force with the opposition at home. So far as it is afraid of that, it will probably be "imprudent" once more in the very distant future.

The writer is editor of "Migdal," a monthly published by Beit Shean, Labour Party college.

## VIEWPOINT

# Democracy — or defeat

If the Labour Party does not introduce internal democracy it cannot hope for victory in the next elections.

BY ITS ACTIONS in the next few months, the Labour Party has a chance to dispense one of Yigael Yadin's most damaging charges: the weakness of its internal democracy.

It is imperative that Prime Minister Rabin insist on the complete democratization of his party. There should be no further postponement of the elections to the party convention and of the convention itself. In the interim, all branches should hold regular meetings at which members can express their opinions and guide their delegates.

Some of the new district secretaries of the party have been meeting to present vociferous demands for more internal democracy. They should start at home. The party's Jerusalem district council, for example, which is convened from time to time to hear lectures by cabinet ministers, should be enabled to express its views and pass resolutions on the issues to be decided at the convention.

The convention preparatory committee should draft proposals, to be submitted at the beginning of the proceedings, for the democratic election of the party's governing bodies and its candidates for the Knesset, the Histadrut, the Zionist Organization, and the local

authorities. There must be an end to the system whereby a nomination committee presents lists of candidates to be ratified en bloc.

Admittedly, this is an extremely difficult task in a large, complex body like the Labour Party, but it could be done along such lines as the following: The entire body of delegates should elect by secret ballot, on an individual basis, a national leadership of 10 to 15 persons; the nominations for this body could be submitted in advance of the convention. The results of this stage of the elections would have obvious implications for the question of who is to be regarded as the leader of the party and its candidate for the premiership.

In any case, one of the most important services Yitzhak Rabin can perform for his party is to drop his claims to automatic re-nomination and announce his readiness to take his chances in a fair and open contest with all comers. Democracy in the party must go from the bottom to the very top.

The elected national leadership, the regional leadership, the district secretaries, would form the national executive (now known as the Makha). The central council (mo'etzah) would be elected in a series of secret ballot



Labour Party leaders at Central Committee meeting in 1976. Prime Minister Rabin leans forward. Others, from right, are Baha Idelson, Abba Eban, Golda Meir, Israel Galili, and Yitzhak Navon.

Israel Sun votes: one-fifth on an individual basis by all the delegates, and representatives of each region, in proportion to their size, by the delegates from the region. In each of these votes, a number of places could be reserved for women members and young people.

The Knesset list could be determined on similar principles. The first places could be filled by a secret ballot of all the members of the democratically elected central council. The next 30 "safe" seats could be allocated to the regions and sections (including women, youth, and trade union "cells"), but in each case the candidates to fill the places would be elected by the democratically elected representative body of the region or section concerned (has party lists in the case). The run-up in these votes would fill the remaining places along the same lines.

These matters are not simply "technical." With the departure of the charismatic founders' generation, the party has lost its centre of authority, and the frameworks which built no longer command the loyalty of the members or the confidence of the general public.

There must be a new start — and that is possible, not by the manipulations of functionaries and bosses, old or new, but only by a completely democratic process that will enable the membership to determine the party's policies and elect its leaders.

Such a revitalized party may yet be able to convince the electorate next November that it is still fit to lead the country, despite the old and new challenges that it will have to face. The next three months may decide whether this is still possible, or whether the half-century of Labour leadership is coming to an end.

## READERS' LETTERS

### Jews in Administered Areas

To the Editor of The Jerusalem Post  
Sir, — U.S. Ambassador Malcolm Toon, in addressing the B'nai B'rith's Anti-Defamation League conference in Jerusalem on November 18, indicated that Israel's establishment of new settlements in the "occupied areas" increases Arab distrust and thus hinders U.S. peace mediation efforts between the Arab countries and Israel.

It is difficult to understand the rationale behind this assertion. There are close on half a million Arabs living in Israel proper and the number continues to increase at a much faster pace than that of the Jewish population. Suppose that in exchange for a final, permanent peace treaty Israel agrees to retreat from the presently administered territories: at the most, there will remain a few thousand Jewish settlers in these areas. Why should they constitute a danger to the future peaceful relations between Israel and the neighbouring Arab state?

Why should the West Bank and the Gaza Strip remain permanently Jewish?

REUBEN EFFRON  
Jerusalem

### Creeping Expansionism

To the Editor of The Jerusalem Post

Sir, — On November 17, you reported without comment the handing over to civilian rule of Nahal Na'aran, north of Jericho, yet another new settlement in the administered (i.e. post-1967) areas. Such an event now seems to be accepted as a normal routine occurrence; in fact, it is another step towards future conflict.

There is one inevitable condition of a real peace settlement in the Middle East, namely a trading of territory. But come the day, what will there be to trade? Who will then dare to suggest (from within Israel) that some, or even all, of the new settlements be abandoned for the sake of peace?

The world must assume, if the present administration is to be credited with any degree of logical purpose, that (a) the areas being settled are not considered a permanent part of Israel and (b) they are part of a strategic defence of an enlarged Israel; in other words, that Israel is actively pursuing a policy of creeping expansionism, ostensibly for strategic reasons (according to Ailon and others), but in fact because a weak government is incapable of resisting the pressures from within.

If Israel is to retain any credibility as a seeker of true peace, it must stop further settlements in the administered areas now.

RICHARD BIRD  
Jerusalem

### The English Mafia No. 2

To the Editor of The Jerusalem Post  
Sir, — We would like to take this opportunity to thank wholeheartedly all those who responded so graciously to our request for English literature. It is nice to know that there are people behind us who are contributing time, effort and expense to help make our army service more pleasant and to keep us in touch with the international scene.

JACK FISHER  
The English Mafia No. 2  
Somewhere in Israel.

## POSTSCRIPTS

PREMIER YITZHAK RABIN'S contribution to the Socialist International in Geneva took the wind out of President Anwar Sadat's sails, according to echoes reaching Jerusalem from Western Europe and North America.

Rabin's paper on the theme of "After Helsinki — What?" touched a sensitive chord among the Socialist leadership of Western Europe especially because it portrayed the Middle East issues in terms closer to home, say observers in Jerusalem. He stole the media coverage and his thesis is still providing positive comment in London, Paris and Bonn, whereas Sadat's "peace propaganda" with visitors to Cairo are already forgotten, observers claim.

Austrian Chancellor Bruno Kreisky and Willy Brandt, the new chairman of the Socialist International, accepted Rabin's invitation to attend the Israel Labour Party's convention, currently scheduled for the end of February. With their acceptance, the idea of attending the convention may snowball and other Socialists in and out of office may well accept too. Portuguese Premier Mario Soares also accepted an invitation to visit Israel around the same date, after making Rabin's acquaintance.

The Socialist International is about the only international body in which Israel is not being harassed on the Palestine issue, observers noted. Rabin's performance at Geneva

may or may not raise his credit at home, but on the international scene it gave him a significant push, it seems.

A. W.

THE VISITING mayor of the London borough of Barnet fascinated students at Bar-Ilan University when he turned up to inspect the campus in full regalia, his golden chain of office round his neck.

The mayor, Andre Fares, toured the campus as part of his visit to Ramat Gan, which is Bar-Ilan's city. At the University Library, inquisitive students asked about his "necklace" and one wanted to know whether it had to be worn all the time. "To official functions, but not to bed," Mr. Fares told him. S.B.

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